

Firemen's Relief and Pension Fund Board Meeting
August 26, 2009
9:00 A.M.

The Board of Trustees of the Firemen's Relief and Pension Fund of the City of Little Rock, Arkansas, met at 9:00 AM in the Sister Cities Conference Room located at 500 West Markham Street, City Hall, with the following members and officials present. Mr. Bruce Moore, City Manager, called the meeting to order.

1. Roll call.

Members Present: Bruce Moore; Susan Langley; Havis Jacks; Don Kinney; Butch Wright; Johnny Reep; Bernard Sherwood; and Sara Lenehan.

Other Personnel Present: Melinda Raley; Lakisha Grigsby; Sharon Phillips; and Bo Brister and Alex Jordan from The Stephen's Group.

- 2. Approval of Minutes from the July 22, 2009, Meeting:** A motion was made by Mr. Kinney, seconded by Mr. Wright, to approve the July minutes. By unanimous voice vote of the Board Members present, the minutes were approved.
- 3. Stephens, Inc. Report (Copy of Financial Report filed in the Office of the City Clerk):** Mr. Alex Jordan made the presentation. The Total Fund Balance as of July 31, 2009 was \$69,774,717.
- 4. Financial Report (Copy of report is on file in the Fire Pension Office):** Ms. Sara Lenehan made the report. A motion was made by Mr. Wright, seconded by Mr. Sherwood, to approve the financial report for Year to Date through July 31, 2009. By unanimous voice vote of the Board Members present the financial report was approved.
- 5. Remove from Pension Rolls:** None
- 6. Add to Pension Rolls:** None
- 7. Other Business:**
 - A. DROP Interest Rate Memorandum:** Ms. Lenehan provided the Board with a copy of the memorandum sent to DROP members clarifying the calculation and application of interest to DROP accounts.
 - B. Brenda Warner – Dependent Eligibility:** Ms. Grigsby notified the Board that Brenda Warner is no longer eligible to receive the dependent benefit because her son is over the age of 19 and is no longer in school. Ms. Warner's pension has been adjusted to reflect the \$200.00 dependent benefit reduction.

- C. Cost of Living Adjustments (COLA):** Mr. Reep made a motion to approve the following proposed Cost of Living Adjustment: *Beginning January 1, 2010, all retirees, survivors, and DROP account members will have their monthly benefit increased by \$50.00. In addition, on the anniversary date, of each retiree, survivor and DROP member, the monthly benefit, after the addition of the \$50.00 increase, will increase by 3% cost of living adjustment subject to approval of the Little Rock Firemen's Pension and Relief Fund and the Arkansas Police and Fire Retirement Review Board for the calendar year 2010.*

Ms. Lenehan recommended the Board not approve a COLA for 2010 due to economic conditions and the Federal Government's plan not to include a COLA in social security payments in the coming year. The Board agreed due to the timing. Motion withdrawn.

- D. Discussion Regarding Application of Article 7:** Ms. Raley presented the Board with a copy of PRB Rule #10, Section 10, regarding Distribution of DROP Account. Currently, the Fire pension DROP Rules and Regulations does not address distribution of DROP accounts when a member attains age 70 ½, nor does it allow any other form of withdrawal other than a lump sum or true annuity. She asked the Board if they were aware of any revisions or adoptions to the DROP rules that addressed the issue. She reported there are currently 11 inactive DROP members; 3 members receive automatic monthly withdrawals, and 4 get partial lump sums throughout the year. There are a total of 44 active DROP members who have not yet retired. Ms. Raley will search the issue further and report at the next Board meeting.

Ms. Wright made the motion, seconded by Mr. Kinney, to adjourn the meeting. Meeting was adjourned.



Susan Langley
Acting Secretary, Firemen's Relief and Pension Fund